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# Proudhon and Workers' Self-Management

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not always the case-equitable remuneration). It inculcates in them the sense of their responsibilities, instead of maintaining, as is the case under the yoke of the omnipotent state, millennial habits of passivity, submission, and the inferiority complex left to them by a slavish past.

At the end of such an apprenticeship self-management is, in a way, condemned to succeed. For if this is not the case socialism will have failed in its historical mission. As Proudhon observed: “Upon the response that will be given ... depends the entire future of the workers. If that response is in the affirmative a new world opens before humanity. If it is in the negative, the proletariat can give up all hope ... : In this world there is no hope for them.”<sup>43</sup>

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<sup>43</sup> Proudhon, *Manuel du speculateur*, ‘Conclusion’.

did not prepare the workers, or prepared them poorly, for their self-management functions.

For an entire period they are thus obliged to seek outside their ranks the experts, technical cadres, accountants, etc. Where the cadres barely exist, as in Algeria, the functioning of self-management is seriously hindered: someone recently observed that Algerian self-management requires two hundred thousand accountants and the country's government envisages the accelerated education of twenty thousand. But where these experts exist, at least partially, their intrusion from without subordinates self-management. "Guardianship organizations," when they provide technical assistance to self-managed enterprises, tend to substitute themselves for the self-managers and to become managers in their stead.

These serious drawbacks can only be eliminated when the fusion "of science and the working class" dreamed of by Ferdinand Lassalle and, after him, by Rosa Luxemburg will allow the abolition of guardianship. As the masses gradually educate themselves the social base upon which the guardians rest will fade away. They will only be "executive organs," controllable and revocable by the "conscious actions" of the workers.<sup>42</sup>

Socialism is fated to remain a vain word, a demagogic and hollow option, as long as the workers are not able to manage production for themselves, as long as they are enslaved, or allow themselves to be enslaved, by a parasitic bureaucracy imitating the bosses whose place they cannot wait to take.

In countries like Yugoslavia and Algeria, where self-management still suffers from many vices in its functioning, it at least has the advantage of allowing the masses to do their apprenticeship both in democracy and management, of stimulating their enthusiasm at work (on the condition, of course, of ensuring them—which is

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<sup>42</sup> Rosa Luxemburg, 'Masse et chefs' ['Geknickte Hoffnungen', 1903], in *Marxisme contre dictature* (Spartacus, 1974), pp. 36–7.

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But even when he hesitates, when he contradicts himself, when he changes his mind, he provides his reader with a precious lesson in relativism.

It is thrilling to witness the flowering of a creative mind ever in movement, forever seeking, never fixed, never dogmatic, tumultuous to be sure, sometimes allowing himself to be carried away by a quip, by improvisation, by failure to reflect, but capable of correcting himself, revising himself, of accepting lessons from the facts, of evolving in the light of experience.

And in any case Proudhon had his excuses. First, in laying the foundations for workers' self-management, he entered a domain so virgin and new that no one could serve as his guide. Second, the contradictions were less in his ideas than in the object they reflected. Workers' self-management, by its very nature, is contradictory. It is condemned to waver between two poles: on one side the autonomy of production groups, necessary so that each member feels truly free and "disalienated." On the other hand, the need for coordination in order to have the general interest prevail over selfish ones.

This coordination, I think, can be ensured under optimal conditions by revolutionary working-class syndicalism, which is best qualified to play such a role, since it is the direct and authentic emanation of the workers. But where it is lacking, where it is degenerated and bureaucratized, where it is insufficiently structured, where it is underestimated, tamed, regarded as a poor relation, like a fifth wheel, the role of coordinator inevitably falls to the state, a state which, by the force of circumstances, wants above all to perpetuate itself, to constantly extend its remit, to infringe on any forms of autonomy, to nibble away at freedom.

In the final analysis the most profound contradiction that rends workers' self-management springs from the historical backwardness of the education of the proletariat. The capitalist regime, as well as the unionism of immediate demands that is its corollary,

everything having to do with politics, and there is a second Proudhon who will cease neglecting the problem of territorial administration, who will base it on the autonomous commune,<sup>41</sup> though failing to connect in a sufficiently precise and coherent manner communal power on one side and workers' production associations on the other.

Finally, there is a Proudhon who categorically refuses any form of state—to the point that he issued a sectarian rejection of the sponsoring of workers' associations by a socialist—leaning state—and there is also a Proudhon who no longer considers himself an anarchist but rather a federalist, and who participates in the state.

These, briefly recalled, are some of the omissions and failings concerning workers' self-management in Proudhonian thought.

But alongside these weaknesses, how many lucid points of view, how many prophetic insights! The reader of Proudhon, if he is up to date on the concrete problems posed by the practice of selfmanagement in Yugoslavia [in the 1950s and the early '60s], and in Algeria [from independence until Boumedienne's coup d'état, 1962–1965], constantly finds himself on familiar ground. Almost all the difficulties that form the drama of contemporary self-management can be found announced and described in Proudhon's writings. In it they are the object of heart-rending warnings, whether it's on the question of the incompatibility of the tentacular state and free self-management, or of the lack of men prepared for self-management, or of the lack of technical cadres, or of the unavoidability—at least during a transitional period—of a market economy containing a certain degree of competition, and, finally, on the difficulty of establishing total communism prematurely, which will only be practicable when abundance reigns and the consumer will only have to draw from the pile. On all these points Proudhon illuminates the future with a powerful spotlight.

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<sup>41</sup> Gurvitch, *Proudhon et Marx*, p. 113. 57. *De la justice*, vol. I, p. 320; *Contradictions politiques* (1862), p. 237 & 245–6.

The problem is one with a certain topicality. In effect, it revolves around the question already touched on by the social reformers of the nineteenth century and posed with even more perplexity by the men of today: who should manage the economy? Is it private capitalism? Is it the state? Is it the associated workers? In other words, three options existed and continue to exist: free enterprise, nationalization, and socialization, i.e., self-management.

From 1848 Pierre-Joseph Proudhon was the ardent advocate of the third solution. In this he set himself apart from the socialists of his time, supporters of at least transitional state management. Their spokesman was Louis Blanc in his pamphlet on *The Organization of Labor* (1840).<sup>(1)</sup> It was Louis Blanc who was Proudhon's *bête noire*, rather than Marx and Engels, whose *Communist Manifesto*, written in German in 1847, he was not aware of. Louis Blanc's influence makes itself felt in the *Manifesto*, where it was a question of "centralizing all the instruments of production in the hands of the state." State centralization crops up constantly in it, like a litany: "Centralization of credit in the hands of the state with state capital and its exclusive monopoly." "Centralization in the hands of the state of all means of transport." "The organization of industrial armies, particularly for agriculture."

It's true that the authors of the *Manifesto*, still following Louis Blanc, envisaged a later stage, no longer statist but clearly libertarian, from which, the proletariat having destroyed classes and thus class antagonism, the state would disappear and production would—finally—be managed by the workers.

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<sup>(1)</sup> Louis Blanc (1811–1882) was a leading socialist reformer who popularised the demand, "From each according to their abilities, to each according to their needs." A member of the republican provisional government installed after the revolution of February 1848, he would later be a member of parliament under the Third Republic, sitting with the extreme left. In 1848, he famously pushed for the creation of cooperative workshops, to be financed at least initially by the state, in order to provide employment and promote cooperativism within a framework of economic regulation. [DB]

But the end of the transitional statist period was relegated to a distant future, was more or less considered utopian and, because of this, it was felt unnecessary to lay out the problems of workers' self-management before its time. When one reads Marx one is surprised at the rarity, the brevity, and the summary nature of the passages concerning the free association of producers. On the other hand Proudhon who, because he was of working-class origins and upbringing, considered self-management a concrete, immediate problem, studied its functioning in depth and in detail. This is why those of our contemporaries who consider the problem of self-management or who try to put it into practice gain far more from the works of Proudhon than from those of Marx. Before trying to lay out the Proudhonian conception of workers' self-management it is necessary to briefly recall, in contrast, his rejection of "authoritarian" management of the economy. Since he could not have read the *Communist Manifesto* and could only have had imperfect knowledge of Marxist thought, notably through the *Poverty of Philosophy*, written in French, it is principally against Louis Blanc, his compatriot and direct adversary, that Proudhon multiplied his attacks:

The state is the patrimony, it's the blood and the life of Louis Blanc. Hit out at the state and Louis Blanc is a dead man.

Once the economic revolution is accomplished, must the state and the government remain? With the economic revolution ... the state should completely disappear.<sup>(2)</sup>

"The instruments of production and exchange should not be entrusted to the state. Being to the workers what the hive

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<sup>(2)</sup> *Idee generale de la Revolution au XiXeme siecle* (1851; 1926 edition), pp. 363–4. [These quotes are from the first article in a polemic between Proudhon

integrationist Proudhon who will later prefer placing all producers in one vast agricultural and industrial federation.

There is a simplistic Proudhon who proposes an extremely arguable definition of labor value, and there is a subtler Proudhon who then admits that the duration of labor cannot be the sole basis for this calculation and who strives to repair what he calls his "omissions."

There is the Proudhon who puts private property on trial, and there is a Proudhon who praises it, just as there is a Proudhon who celebrates the virtues of competition and there is a Proudhon who insists on its evils. It's only quite rarely that he succeeds in constructing a true synthesis of contradictory notions, and this is why he hides his failures while flattering himself only for having "balanced" the antinomies.

There is a decentralizing and federalist Proudhon, who mistrusts all planning for fear of reviving authority, and there is a Proudhon who does not hesitate to prescribe economic centralization and stresses the unitary character of production.

There is a Proudhon who, by affirming the capacities of the working class and its duty to radically separate itself from bourgeois institutions, opens the way to modern working-class syndicalism, and there is a Proudhon who underestimates struggles for specific demands, haunted as he is by the formation of workers' production cooperatives.

Here we touch on what is perhaps the most serious omission in the Proudhonian conception of self-management. It fails to be articulated and coordinated by an anarcho-syndicalism or a revolutionary syndicalism of the type that made possible the admirable experience of the Spanish collectivizations of 1936. When Proudhon alludes to "a vast agricultural and industrial federation," he fails to dig deeper in the syndicalist manner into that notion which, under his pen, remains unarticulated and vague.

There is a Proudhon who, in the first part of his militant life, was strictly concerned with economic organization, who mistrusted ev-

have limited effectiveness, and he incited workers “to occupy themselves less with cooperation than with strikes.”<sup>39</sup> As Gurvitch notes, this is the opposite position from Proudhon’s, who nourished illusions about the rapid absorption of the capitalist economy by workers’ selfmanagement, underestimated the importance of unions and made too little of the right to strike.<sup>40</sup>

## By Way of a Conclusion

Proudhon’s ideas on self-management do not form a body of homogeneous doctrine, perfectly adjusted, free of any hesitation or ambiguity. Far from it. Contradictions abound in it.

There is a Mutualist Proudhon who defends, exalts, and attempts to save the independent small producer from the implacable wheel of progress and there is a resolutely collectivist Proudhon who does not hesitate to march with his time, with technical progress, with technology, with large-scale industry.

There is an optimistic Proudhon who in 1848 covers in flowers the spontaneously born workers’ associations, and there is a pessimistic Proudhon who, a few years later, in 1857, will draw up a severe balance sheet of the failure of these associations.

There is a dreamer Proudhon who imagines Mutualism susceptible of partial application within the capitalist regime and who persuades himself that the socialist sector, from its own dynamism, will spread, and there is a Proudhon who is much more realistic, and as a result reticent on this point.

There is, as concerns the legal status of property under self-management, a disintegrationist Proudhon who, at first, envisages entrusting it to the workers’ associations themselves in accordance with the principle “the factories to the workers,” and there is an

<sup>39</sup> Bakounine, *Œuvres*, vol. V. pp. 216–8; *Archives Bakounine*, vol. i, 2<sup>nd</sup> Part, article from *Al Rubicone*, 3 January 1872.

<sup>40</sup> In *Archives*, vol. I, 2<sup>nd</sup> Part, p. 73.

is to bees, their management should be entrusted to workers’ associations.”<sup>(3)</sup>] Only thus “large-scale industry which, through the alienation of popular power, lowers the wage earner to a state worse than slavery, becomes one of the main organs of freedom and public happiness.”<sup>(4)</sup> “We associated producers or those on the path of association.” Proudhon proclaims in the style of a manifesto, “have no need of the state ... Exploitation by the state is still monarchy, still wage labor ... We no more want government of man by man than exploitation of man by man. Socialism is the opposite of governmentalism ... We want these associations to be ... the first nucleus of a vast federation of companies and enterprises, united by the common bond of the democratic and social republic.”<sup>1</sup>

Let us now see what the workers’ self-management which Proudhon opposed to the transitional state management dear to both Louis Blanc and Karl Marx consisted of.

The revolution of February 1848 saw a spontaneous blossoming of workers’ productive associations born in Paris and Lyon. It was this nascent self-management, rather than the political revolution, which was, for the Proudhon of 1848, “the revolutionary fact.” It had not been invented by a theoretician or preached by doctrinaires. It was not given its initial impetus by the government. It came from the people. And Proudhon implored the workers throughout the republic to organize in the same way; that they draw to them, first small property, small merchants, and small in-

<sup>1</sup> ‘Election Manifesto’, *Le Peuple*, 8 November 1848. [‘Election Manifesto of *Le Peuple*’, *Property Is Theft!*, pp. 376–8.]

and Blanc entitled ‘Resistance to the Revolution’, extracts in *Property Is Theft! A Pierre-Joseph Proudhon Anthology* (Oakland: AK Press, 2011). —DB]

<sup>(3)</sup> *Idee generale de la Revolution au XiXeme siecle* (1851; 1926 edition), pp. 277–8, 329. [‘General Idea of the Revolution in the Nineteenth Century’, *Property Is Theft!*, pp. 583–4, 595 —DB]

<sup>(4)</sup> *Idee generale de la Revolution au XiXeme siecle* (1851; 1926 edition), pp. 280. [Ibid., *Property Is Theft!*, p. 585 —DB]

dustry, then large property and large enterprises, and then the most extensive operations (mines, canals, railroads, etc.), and in so doing “become the masters of everything.”<sup>2</sup>

There’s a tendency today to only recall Proudhon’s desire, naive to be sure, and doubtless anti-economic, to ensure the survival of small-scale artisanal and commercial enterprise. There is certainly no lack of texts where Proudhon takes the side of small producers. Georges Gurvitch observed in the rich little book he dedicated to Proudhon that the writer had entitled a postscript to his *Confessions of a Revolutionary* (1851): “Apotheosis of the middle class,” and that he’d “dreamed of a reconciliation of the proletariat and the middle class.”<sup>3</sup> In his posthumous book, *The Theory of Property*, Proudhon made the following clarification:

The object of workers’ associations is not to replace individual action by collective action, as was madly believed in 1848, but rather that of ensuring all the entrepreneurs of small and middle industry the benefit of the discoveries, machines, improvements and procedures otherwise unavailable to modest enterprises and fortunes.

But Proudhonian thought is ambivalent on this point. Proudhon was a living contradiction. He railed against property, the source of injustice and exploitation, and celebrated it to the extent that he saw in it a guarantee of personal independence. What is more, we too often have the tendency to confuse Proudhon with the tiny so-called Proudhonian coterie that, according to Bakunin, formed around him in the final years of his life. This fairly reactionary coterie was, he said, “stillborn.”<sup>4</sup> Within the first International it vainly attempted to oppose private ownership of the means of pro-

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<sup>2</sup> Ibid., p. 375.

<sup>3</sup> Georges Gurvitch, *Proudhon* (PUF, 1965).

<sup>4</sup> *Theorie de la propriété* (A.Lacroix, Verboeckhoven & Cie, 1866), p. 183.

The Proudhonian conception of management by workers’ associations bore within it an ambiguity. It was not always specified if self-managed groups would remain in competition with capitalist enterprises, if, as is today said in Algeria, the socialist sector would co-exist with the private sector or if, on the contrary, production as a whole would be socialized and placed under self-management.

Bakunin, unlike his teacher Proudhon, whose ideas are hesitant on this point, is a consistent collectivist. He clearly sees the dangers of the coexistence of these two sectors. The workers, even associated, cannot assemble the capital capable of fighting against big bourgeois capital. And what is more, the danger exists that within the workers’ association there will arise, from the contagion of the capitalist environment, “a new class of exploiters of the labor of the proletariat.”

Self-management contains within it all the seeds of the economic emancipation of the working masses, but it can only develop all these seeds when “capital, industrial establishments, primary materials, and tools ... will become the collective property of productive workers’ associations, both industrial and agricultural, freely organized and federated among themselves.” “The social transformation can only occur in a radical and definitive fashion by methods acting upon all of society,” that is, by a social revolution transforming private property into collective property. In such a social organization the workers will collectively be their own capitalists, their own bosses. The only things left to private property will be “those things that are truly for personal use.”<sup>38</sup>

As long as the social revolution has not been accomplished Bakunin, while admitting that productive cooperatives have the advantage of accustoming workers to managing their own affairs, that they create the first seeds of collective workers’ action, thought that these islands within capitalist society could only

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<sup>38</sup> ‘Programme et statuts de la Fraternité révolutionnaire’ (1865) in Max Nettlau, *Michel Bakounine* (London: 1896), vol. I, p. 224.



For Proudhon, self-management is society finally “alive, organized;” “the highest degree of freedom and order which humanity can achieve.” And in a burst of enthusiasm he exclaims, “Here we are free, emancipated from our embryonic shell. All relations have been inverted. Yesterday we walked upside down. We are changing our existence. This, in the nineteenth century, is the revolution.”<sup>36</sup>

Nevertheless, despite his concern for unity, Proudhon dreads authoritarian planning, which is why he instinctively prefers to it competition of solidaristic inspiration. But, in a more consistent fashion, anarchism has since made itself the advocate for democratic and libertarian planning, elaborated from the bottom up by the confederation of self-managed enterprises.

It is in this way that Bakunin glimpsed the possibilities of a planning on a worldwide scale which open up to self-management: “The workers’ cooperative associations are a new fact in history. We are witnessing their birth and we can only sense but not determine at this time the immense development that without any doubt will ensue and the new political and social conditions that will arise in the future. It is possible and even quite probable that one day, going beyond the limits of communes, provinces, and even current states, they will provide all of human society with a new constitution, divided not into nations, but into industrial groups.” They will thus form “an immense economic federation” with, at its summit, a supreme assembly. In light of “data as broad as it is precise and detailed, of worldwide statistics, they will combine supply and demand in order to guide, determine, and distribute among the different countries the production of international industry in such a way that there will no longer be, or almost no longer be, commercial and industrial crises, forced stagnation, and any wasted effort or capital.”<sup>37</sup>

<sup>36</sup> Cf. Ernest Germain, ‘La loi de la valeur, l’autogestion et les investissements dans l’économie des Etats ouvriers’, in *Quatrième Internationale*, February–March 1964.

<sup>37</sup> *Idee generale*, pp. 202–3, 301–2, 342, 420, 428.

duction to collectivism. And if it did not live long it was mainly because most of its followers, easily convinced by Bakunin’s arguments, did not hesitate to abandon their supposedly Proudhonian concepts in favour of collectivism.

In any case, the last Mutualists, as they called themselves, only partially rejected collective property. They only fought against it in agriculture, given the individualism of the French farmer, but they accepted it in transport, and in the case of industrial self-management they called for the thing while rejecting the name.<sup>5</sup> If they were so afraid of the name it was mainly because the temporary united front formed against them by Bakunin’s collectivist disciples and certain authoritarian Marxists, barely disguised supporters of state management of the economy—like Lucraft at the Basel Congress<sup>6</sup>—did nothing to reassure them. Marxist defamation did the rest, attributing to Proudhon the somewhat reactionary point of view of his epigones.

In fact, Proudhon was in step with his time. As Pierre Hautmann pointed out in his magisterial thesis, “He has often been incorrectly presented as hostile to the very principle of large-scale industry. There is no doubt that at the sight of the Moloch factory—like the tentacular state—he reflexively recoils in fear, which leads him, in reaction, to lean towards small businesses and decentralization. But as concerns economic life, it would be a serious error to think that he was hostile to the principle of mass production. On the contrary, he speaks to us at length and enthusiastically of the need for powerful workers’ productive associations. Of their role and their grandiose future. He thus accepts and even desires large-scale industry ... But he wants to humanize it, to exorcise its evil power, to socialize it by handing its fate over to a community of

<sup>5</sup> *Archives Bakounine* (Champ Libre, 1973–83), ed. Arthur Lehning, vol. I, p. 241.

<sup>6</sup> James Guillaume, *Le Collectivisme de l’Internationale* (Neuchâtel, 1904), p. 12.

workers, equal, free, and responsible.”<sup>(5)</sup> Proudhon understands it is impossible to go backwards. He is realistic enough to see, as he writes in his *Notebooks*, that “small-scale industry is as foolish as small-scale culture.”<sup>(6)</sup>

As for large-scale modern industry, demanding a significant number of workers, he is decisively collectivist: “In the future large-scale industry and large-scale agriculture must be born of association.”<sup>7</sup>

In *General Idea of Revolution in the Nineteenth Century* (1851) Proudhon several times returned to this modernist and, I might say, futurist concept: “The workers’ companies, a protest against wage labor, are called on to play a considerable role in the near future. This role will above all consist in the management of the great instruments of labor and of certain tasks, which ‘demand’ both a great division of functions and a great collective force.”<sup>(7)</sup>

In his *Justice* (1858) Proudhon waxes indignant that people have dared to present him as an enemy of technical progress.<sup>(8)</sup> In his final work, which appeared shortly after his death, *On the Political Capacity of the Working Class*, he again confirms: “The construction of railroads should have been entrusted to workers’ companies. If

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<sup>7</sup> *Carnets*, vol. III, p. 114.

<sup>(5)</sup> Benjamin Lucraft, 1809–1897, was a craftsman from London, a leading Chartist and a member of the committee of the International Working Men’s Association. As a delegate to the Basel congress (1869), he argued not only for land nationalisation, but for the large-scale cultivation of the land by the state on behalf of the people. [DB]

<sup>(6)</sup> Pierre Hauptmann, *P. J. Proudhon, genèse d’un antitheiste* (unpublished doctoral thesis), pp. 994–5. [Hauptmann also published several books on Proudhon’s life and work. —DB]

<sup>(7)</sup> Ibid. [See K. Steven Vincent, *Pierre-Joseph Proudhon and the Rise of French Republican Socialism* (New York/Oxford: Oxford University Press, 1984), p. 156—DB]

<sup>(8)</sup> *Idee generale de la Revolution au XiXeme siecle* (1851; 1926 edition), p. 175 ; ‘General Idea of the Revolution in the Nineteenth Century’, *Property Is Theft!*, p. 558. [DB]

against the high cost of living, it too often sustains among the Yugoslavian self-managers a selfish and quasi-capitalist mentality from which concern for the general interest is absent.

It should be noted that workers’ self-management in Yugoslavia is criticized by the Cubans and the Chinese, precisely because of its inability to reconcile competition and socialism.

Well before the authoritarian “communists” of today denounced the coupling of self-management and competition, the libertarian communists of the 1880s attacked the Proudhonian collectivist economy based on the principle of struggle, where all that would be done would be reestablishing among the competitors equality at the starting point in order to then cast them into a battle necessarily resulting in victors and vanquished, where the exchange of products would end by being carried out in accordance with supply and demand, “which would mean descending into competition, into the bourgeois world.” This language very much resembles that of certain detractors of the Yugoslav experience in the communist world. They think it necessary to direct at self-management the hostility inspired in them by the competitive market economy, as if the two notions were inseparable from each other. This was—and I speak of him in the past tense—the case of Che Guevara, for example, who mistrusted self-management because he thought it synonymous with competition.<sup>35</sup>

Proudhon, to return to him, sees quite clearly that management by workers’ associations can only be unitary. He insists on “the need for centralization and unity.” I do not find in him “that provincialism closed to the wide world” that some think they saw. He asks the question: “Aren’t the workers’ companies for the exploitation of large-scale industries an expression of unity? What we put in place of government is industrial organization. What we put in place of political centralization is economic centralization.”

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<sup>35</sup> Albert Meister, *Socialisme et Autogestion, l’expérience yougoslave* (Seuil, 1964), p.334.

But in Proudhon's opinion the absence of competition would be no less pernicious. He cited the example of the state-run tobacco office. This monopoly, from the very fact that it is free of competition, is too dear a service and its productivity is insufficient. If all industries were subject to such a regime, the nation, according to him, would no longer be able to balance its receipts and expenses.<sup>31</sup>

However the competition dreamed of by Proudhon is not the unfettered competition of the capitalist economy, but a competition endowed with a higher principle that "socializes" it; a competition that operates on the basis of an honest exchange in a spirit of solidarity; a competition which, while safeguarding individual initiative, will return the wealth currently diverted by capitalist appropriation to the collective.<sup>32</sup>

It is clear that there is something utopian in this conception. Competition and the so-called market economy inevitably produce inequality and exploitation, even if the departure point is a situation of perfect equality. They can only be joined to workers' self-management transitionally, as a necessary lesser evil while waiting for the development within the self-managers of a mentality of "sincerity of exchange," as Proudhon called it<sup>33</sup> and above all, when society has passed from the stage of penury to that of abundance and competition loses its entire *raison d'être*.

But in this transitional period it seems desirable that competition should be limited, as is the case today in Yugoslavia, to the sphere of the means of consumption, where it at least has the advantage of defending the interests of the consumer.<sup>34</sup>

Nevertheless, in Yugoslavia competition too often leads to excesses and irrationalities which the authoritarian adversaries of the market economy take pleasure in denouncing. Useful both as a stimulant to the spirit of enterprise and as a means of struggle

<sup>31</sup> Ibid., pp. 209, 211 & 234.

<sup>32</sup> *Philosophie de la misère*, vol. I, pp. 186 & 215.

<sup>33</sup> Ibid., pp. 209 & 217.

<sup>34</sup> Ibid., vol. II, p. 414.

it's a matter of large-scale manufacturing, extractive, maritime or steel industries, it is clear that there is place for association. No one any longer contests this."<sup>8</sup>

In my book *Anarchism* I already listed the essential conditions for workers' self-management:

- Every associated individual has an undivided share in the property of the company.
- Every worker must assume his share of unpleasant and difficult tasks.
- He must pass through a variety of work and instruction and positions in the company that ensure him an encyclopedic education. Proudhon insists absolutely on "having the worker go through the series of industrial operations to which he is connected. In this way the division of labor can no longer be a cause of degradation for the worker; on the contrary, it is the instrument of his education and the guarantor of his security."<sup>(9)</sup>

Pierre Haubtmann, commenting on Proudhon, remarked that for Marx it's the "automatic workshop"—we would say automation—which, through the division of labor and the reduction of working hours, both pushed to the extreme, will allow every man to achieve "total development." Machinery extending man, disalienation will enter into play, not in work, but in leisure. Proudhon is hardly seduced by such a perspective. For him, man is essentially a producer. He wants him to constantly be at work. We're at antipodes from

<sup>8</sup> *De la justice dans la Révolution et dans l'Eglise* (Marcel Rivière, 1858), vol. III, pp. 459–93, quoted in Georges Gurvitch, *Proudhon et l'acte de confrontation* (Centre de documentation universitaire, 1964), p. 93.

<sup>(9)</sup> *De la capacité politique*, pp. 171 & 190. [Quotation from "The Political Capacity of the Working Classes." *Property Is Theft!*, p. 748; also seep. 759 —DB]

the exuberant *Right to be Lazy* by Paul Lafargue.<sup>(10)</sup> For the ferocious Puritan, for the “Saint Paul of socialism” that Proudhon was, leisure is not far from being a synonym for lust.<sup>9</sup> He expects “disalienation” from a mode of production that would give the worker a synthetic vision of the labor process.<sup>10</sup>

Gurvitch, contrasting Marx and Proudhon, underlines the following passage from *Justice*: “The spirit is no longer in the worker; it has passed over to the machine. What should be the virtue of the worker has become his degradation.” This evil can only be corrected “if the collective forces alienated for the profit of a few exploiters are returned to labor as a whole.”<sup>11</sup>

Proudhon counts on an increase in productivity under self-management, thanks to the joy of disalienated labor.

After this digression, according to Proudhon the essential conditions of self-management are:

- Functions are elective and the rules are submitted for the approval of the associates.
- Remuneration is proportional to the nature of the function, the importance of the talent, and the breadth of the responsibility. Each associate participates in the profits in proportion to his services.
- Everyone is free to quit the association at will, to regulate his hours, and liquidate his share.

<sup>9</sup> Paul Lafargue, *Le Droit a la Paresse* (first published 1880).

<sup>10</sup> See my study, ‘Proudhon et l’amour unisexual’ in *Essai sur la revolution sexuel/e apres Reich et Kinsey* (Belfond, 1963).

<sup>11</sup> See K. Marx, *Poverty of Philosophy* and Hauptmann, P. J. Proudhon, *genese d’un antitheiste*, pp. 998–9.

<sup>(10)</sup> *Idee generale*, pp. 277–83 & 329. [“General Idea of the Revolution”, *Property Is Theft!*, pp. 583–6 —DB]

close to cost... To this effect the workers’ company forbids itself any [monopolistic] coalitions, accepts the law of competition, and places its books and archives at the disposal of society, which, as the sanction of its right of control, preserves the ability to dissolve it.”<sup>27</sup> “Competition and association mutually support each other ... The most deplorable error of socialism is that of having regarded [competition] as the overturning of society. There can be no question of destroying competition ... It’s a question of finding its equilibrium, I would even say its organization.”<sup>(15)</sup>

This attachment to the principle of competition earned Proudhon the sarcasm of Louis Blanc. “We are unable to understand those who imagined some strange coupling of two opposing principles. Grafting association onto competition is a poor idea. It means replacing eunuchs with hermaphrodites.”<sup>28</sup>

Louis Blanc wanted to “arrive at a uniform price” fixed by the state and to prevent any competition between the workshops of one industry. Proudhon replied that prices “are only settled by competition,” that is, by the consumer’s ability to “to do without the services of those who overstate them.”<sup>29</sup>

To be sure, Proudhon did not hide the evils of competition, which he had abundantly described in his *Philosophy of Poverty*. He knew it was a source of inequality. He admitted that “in competition victory is assured to the largest battalions.” As long as it is “anarchic” (in the pejorative sense of the term), as it only exists for the profit of private interests, it necessarily engenders civil war and, in the end, oligarchy. “Competition kills competition.”<sup>30</sup>

<sup>27</sup> *Philosophie de la misere*, in *Œuvres complètes* (A. Lacroix, Verboeckhoven & Cie, 1867), vol. I, p. 225.

<sup>28</sup> *Philosophie de la misere*, in *Œuvres complètes* (A. Lacroix, Verboeckhoven & Cie, 1867), vol. I, p. 208.

<sup>29</sup> *Ibid.*, p. 210.

<sup>30</sup> *Ibid.*

<sup>(15)</sup> *Idee generate de la Revolution au Xixeme siecle*, p. 281. [*Property Is Theft!*, p. 585—DB]

be immediately realizable in extremely limited sectors and that “for the rest” one must “transitionally” accept collectivism. “In order to be realizable, communism requires a great moral development of the members of society, an elevated and profound feeling of solidarity that the revolutionary outburst will perhaps not suffice in producing, which is even more likely in that at the beginning the material conditions favoring such a development will be lacking.”<sup>26</sup>

After Malatesta, the anarchist Fernand Pelloutier, having become a revolutionary syndicalist, would be even more categorical: “No one believes ... that the imminent revolution will realize pure communism. Since it will in all likelihood break out before anarchist education has been completed, men will not be mature enough to absolutely rule themselves. We must take men as they are, as the old society left them to us.”<sup>(13)</sup>

Among the norms inherited from bourgeois economics, there is one whose maintenance under collectivism or self-management raises thorny problems, to wit, competition. Just as in Proudhon’s eyes private property in the products of labor constitutes a guarantee for the producer of their personal independence, competition is “the expression of social spontaneity,” the guarantor of the “freedom” of associations. In addition, it constitutes, for a long time to come, an irreplaceable stimulant without which “an immense relaxation would succeed the ardent tension of industry.” “Remove competition ... and society, deprived of its motive force, would stop like a pendulum whose spring is loose.”<sup>(14)</sup> Proudhon proposed practical recipes: “Vis-a-vis society, the workers’ company commits to always providing the products and services requested of it at a price

<sup>26</sup> Marx, *Lettre sur le programme de Gotha*; Lenin, *L’Etat et la Revolution* (1917).

<sup>(13)</sup> Malatesta, *Programme et organisation de l’Association internationale des travailleurs*. [Method of Freedom, pp. 47–8 —DB]

<sup>(14)</sup> Fernand Pelloutier, ‘L’anarchisme et les syndicats ouvriers’, in *Les Temps nouveaux*, 2 November 1895. [‘Anarchism and the Workers’ Union’ in *No Gods No Masters* (Oakland: AK Press, 2005), pp. 409–15 —DB]

- The associated workers select their leaders, their engineers, their architects, and their accountants. Proudhon insists on the fact that the proletariat is still lacking in certain abilities. It must be recognized that “due to the insufficiency of its insights and its lack of business expertise the working class is still incapable of managing interests as large as those involved in commerce and large-scale industry, and consequently falls short of achieving its destiny. Men are lacking among the proletariat.”<sup>12</sup>

Hence the need to join to workers’ self-management “industrial and commercial notables” who will initiate the workers in the disciplines of business and who will be paid a fixed wage: “There is room for everyone under the sun of the revolution.”<sup>13</sup>

Let us note in passing that this libertarian understanding of self-management is at antipodes from the paternalistic and statist “self-management” laid out by Louis Blanc in a decree of September 15, 1849.<sup>(11)</sup> The author of *The Organization of Labor* wanted to create workers’ associations under the aegis of and sponsored by the state. He envisioned an authoritarian division of profits: 25 percent for the amortization of capital, 25 percent for social assistance funds, 25 percent for reserve funds; 25 percent to be shared among the workers.

Proudhon wanted nothing to do with a “self-management” of this kind. No compromise was possible for an intransigent individual like him. The associated workers were not “to submit to the state” but “to be the state itself.”<sup>14</sup> “The association ... can do every-

<sup>12</sup> *De la justice*, vol. III, p. 91; Gurvitch, *Proudhon et Marx*.

<sup>13</sup> *De la justice*, vol. III, p. 115.

<sup>14</sup> Proudhon, *Les Confessions d’un révolutionnaire pour servir à l’histoire de la révolution de Février (1848)* (Marcel Riviere, 1929 edition), pp. 257–60.

<sup>(11)</sup> *Idee generate*, p. 283. [General Idea of the Revolution (London: Pluto Press, 1989), p. 224 — DB]

thing, reform everything without the assistance of the authorities, conquer and force authority itself to submit.”

Proudhon wanted “to march to government through association and not to association through government.”<sup>15</sup>

He warned against the illusion that the state, as dreamed of by the authoritarian socialists, could tolerate free self-management. How “could it accept, alongside a centralized power, the formation of enemy centers?” From which this warning, whose intransigence becomes prophetic: “Nothing is doable through the initiative, spontaneity, and independent actions of individuals and collectivities as long as they face the colossal force with which the state is invested by centralization.”<sup>16</sup>

In fact, Proudhon anticipates here the tragedy of contemporary self-management, as experienced in both Yugoslavia and Algeria within the framework of a dictatorial state.

In fact, it is the libertarian and not the statist concept of self-management that prevailed at the congresses of the First International. At the Lausanne Congress (1867) the rapporteur, the Belgian Cesar de Paepe, having proposed making the state the owner of the enterprises to be nationalized, Charles Longuet, at the time a libertarian, added: “Agreed, on the condition that it be understood that we define the state as the collective of citizens ... and also that these services will not be administered by state functionaries but by workers’ companies.” The debate was picked up again the following year (1868) at the Brussels Congress and the same rapporteur was careful to make the requested rectification: “Collective property will belong to the entire society, but it will be conceded to workers’ associations. The state will now be only the federation of various groups of workers.” The proposal, thus, refined, was adopted.<sup>17</sup>

<sup>15</sup> ‘Manifeste de la democratie anarchiste’ [Manifesto of anarchist democracy] in *Le Peup/e*, 22, 26 & 31 March 1848.

<sup>16</sup> *Carnets*, vol. III, pp. 211 & 312.

<sup>17</sup> *De la capacite politique* (Marcel Riviere, 1924 edition), pp. 329 & 403.

that Proudhon in no way considered the remuneration of association members a salary, but rather a distribution of profits, freely decided by associated workers and those jointly responsible. If not, as Pierre Haubtmann notes, self-management makes no sense.

The libertarian communists also reproached Proudhon’s Mutualism and the more consistent collectivism of Bakunin for not having wanted to prejudge the form that the remuneration of labor would take under a socialist regime. These critics seem to lose sight of the fact that the two founders of anarchism were careful not to prematurely imprison society in a rigid framework. On this point they wanted to preserve the greatest latitude for the workers’ associations. For Bakunin collectivism had to be practiced “under varied forms and conditions, which will be determined in each locale, in each region, and each commune by its degree of civilization and the will of the population.”<sup>24</sup>

But the libertarian communists themselves provide the justification for this flexibility, for this refusal of premature solutions when, contrary to their impatient expectations, they insist that in the ideal regime of their choice “labor will produce much more than is needed for an.” In fact, it is only when the era of abundance arrives that “bourgeois” norms of remuneration can give way to specifically “communist” norms. And not before this, as Marx and Lenin saw with a certain lucidity, though not without statist prejudice.<sup>25</sup>

In 1884, writing the program of an anarchist International still in a state of limbo, Malatesta admitted that communism would only

[“Program and Organisation of the International Working Men’s Association”, *The Method of Freedom: An Errico Malatesta Reader* (Oakland: AK Press, 2014); Kropotkin, *The Conquest of Bread* (Oakland: AK Press, 2006), “Anarchy: Its Philosophy and Ideal” and “modern Science and Anarchism” are contained in edited form in the Kropotkin anthology, *Anarchism: A Collection of Revolutionary Writings* (New York: Dover Press, 2002)].

<sup>24</sup> *Theorie de la propriete*, p. 22.

<sup>25</sup> Bakounine, *Œuvres* (Stock, 1895–1913), vol. VI, p. 401.

labor. Remuneration proportionate to the hours of labor furnished by each cannot be an ideal, but at best a temporary expedient. We must have done with morality based on accounting ledgers, with the philosophy of “must and have to.”

This mode of remuneration proceeds from a watered down individualism in contradiction with collective ownership of the means of production. It is incapable of implementing a profound and revolutionary transformation of man. It’s incompatible with anarchism. A new form of ownership demands a new form of remuneration: the services rendered society cannot be evaluated in monetary units. Needs must be placed above services. All the products produced by the labor of all should belong to all, and each should freely take his share. To each according to his needs; this must be the motto of libertarian communism.<sup>22</sup>

But Malatesta, Kropotkin, and their friends seem to have been unaware that Proudhon himself at least partially foresaw their objections and in the end revised his original conception. His *Theory u.f Property*, published posthumously, explained that it was only in his *First Memorandum on Property*, that of 1840, that he supported the equality of salaries to the equality of labor. “I had forgotten to say two things; first that labor is measured by a composite of duration and intensity; second, that there should not be included in the worker’s wage either the amortization of his educational costs and the work he undertook on his own as a non-paid apprentice, or the insurance premiums against the risks he runs, and which are far from being the same in all professions.”

Proudhon asserted he had “repaired” this “omission” in his subsequent writings, where he had the unequal costs and risks paid for by the mutual insurance cooperative societies.<sup>23</sup> We note here

<sup>22</sup> Ibid.

<sup>23</sup> Malatesta, *Programme et organisation de L’Association internationale des travailleurs* (Florence, 1884); Kropotkin, *La Conquete du pain* (Stock, 1890); Kropotkin, *Ulnarchie, sa philosophie, son ideal* (Stock, 1896), pp. 27–8 & 31; Kropotkin, *La Science moderne et l’Ulnarchie* (Stock, 1913), pp. 82–3 & 103.

The optimism Proudhon demonstrated in 1848 relating to self-management was somewhat belied by the lesson of facts. A few years later, in 1857, he subjected the workers’ organizations still in existence to a harsh critique. Their inspiration had been naive, illusory, and utopian. They had paid the price for inexperience. They had fallen into particularism and exclusivism. They had functioned like a collective managerial class and been swept along by the ideas of hierarchy and supremacy. All the abuses of capitalist societies “were exaggerated in these so-called fraternal companies.” They had been torn by discord, rivalries, defections, and betrayals. Their managers, once they had been initiated into the business, had withdrawn “to set themselves up as bosses and bourgeois.” Elsewhere, it was the associates who had called for the sharing out of products. Of the several hundred workers’ associations created in 1848, twenty remained nine years later. And Proudhon opposed a notion of “universal” and “synthetic” self-management to that narrow and particularist mentality. The task for the future was far more than the “assembling into societies of a few hundred workers;” it was nothing less than “the economic reconstituting of a nation of thirty-six million souls.” The future workers’ associations, “instead of acting for the profit of a *few*,” must work for all.<sup>18</sup> Self-management thus demanded “a certain education” of the self-managers. “One is not born an associate; one becomes *one*.” The most difficult task of the associations was that of “civilizing the associates.” What they had lacked—and here Proudhon renewed his warning of 1851—was “men issued from the working masses who had learned at the school of the exploiters to do without them,” It was less a matter of forming “a mass of capital” than a “fund of men.”<sup>19</sup>

<sup>18</sup> Jacques Freymond (ed.), *La Premiere Internationale* (Droz, 1962), vol. I, pp. 151 & 365–465.

<sup>19</sup> ‘Conclusion’ in *Manuel du speculateur a la Bourse* (Garnier, 1857).

On the legal plane Proudhon had initially envisaged entrusting the property of their enterprises to the workers' associations. Now, as Georges Gurvitch points out, he rejected his original notion "of ownership by groups of producers."<sup>(12)</sup> In order to do this he distinguished, in a posthumous work, between possession and property.<sup>20</sup> Property is absolutist, aristocratic, feudal, despotic; possession is democratic, republican, egalitarian: it consists in the usufructuary enjoyment of a non-cedable, indivisible and inalienable concession. The producers would receive, as "*allods*," like the ancient Germans, their instruments of production. They would not be the owners. This "higher formulation" of ownership would unite all the advantages of property and association without any of the drawbacks. What would succeed property would be, as Gurvitch says, federative co-property attributed not to the state, but to all the producers, united in a vast agricultural and industrial federation. The economic federation would come to "counterbalance" the state, a state this time not erased from the Proudhonian map, but transformed from top to bottom.

And Proudhon sees a revised and corrected self-management in the future: "It's no longer vain rhetoric that proclaims it: it's economic and social necessity. The moment approaches when we'll only be able to advance under these new conditions ... The classes ... must be resolved into one sole association of producers."<sup>21</sup>

On what bases will the exchanges between the various workers' associations be ensured? Proudhon initially maintained that the exchange value of all merchandise could be measured by the amount of labor necessary for its production. The various production associations would sell their goods at cost. The workers, paid with

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<sup>20</sup> Gurvitch, *Proudhon et Marx*, pp. 46 & 108.

<sup>21</sup> *Theorie de la propriete*.

<sup>(12)</sup> Extracts from the conclusion of the *Stock Exchange Speculator's Manual* (1857) can be found in *Property Is Theft!*, pp. 610–7. [DB]

"labor bonds," would purchase merchandise at exchange posts or in social stores at cost.

This so-called Mutualist conception was a tad utopian, in any case difficult to apply under capitalism. The People's Bank, founded by Proudhon in early 1849, succeeded in obtaining some 20,000 members in six weeks, but its existence was to be brief. To be sure, the sudden rise to power of Prince-President Louis Bonaparte had something to do with this. But it was illusory to think that Mutualism would spread and to exclaim as Proudhon did that "it was truly the new world, the society of 'promise' which, grafted onto the old world, gradually transformed it!"

It appears that Pierre Haubtmann was correct in stressing in his thesis the illusory character of the Mutualism of the years 1846–1848. But he perhaps attacked Proudhon too vigorously in the way that he invokes the sins of his youth, which would quickly be corrected by his concrete and more positive visions of workers' self-management.

Remuneration based on the evaluation of working hours was debatable for various reasons. Around 1880 the anarchist communists (or "libertarian communists") of the school of Kropotkin, Malatesta, Elisée Reclus, Carlo Cafiero and others did not fail to criticize it. In the first place, in their eyes it was unjust: "Three hours of Peter's labor," Cafiero objected, "are often worth five hours of Paul's." Factors other than duration intervene in the determination of the value of labor: the intensity, the professional and intellectual education required, etc. We must also take into account the worker's family responsibilities. One finds the same objections in the *Critique of the Gotha Program*, written by Karl Marx in 1875, but hushed up by German social democracy until 1891. and which the libertarian communists thus were not aware of when they argued against Proudhon.

What is more, maintains the school of Kropotkin, under a collectivist regime the worker remains a wage earner, a slave to the community that purchases and keeps an eye on the quantity of his